

**James T. Jensen, Chairman  
Board of Oil, Gas and Mining  
1594 W. North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114 - 5801**

4 April 2012

**FILED**

**APR 09 2012**

**SECRETARY, BOARD OF  
OIL, GAS & MINING**

**Re: Request For Agency Action, Docket No. 2012-013, Cause No. 139-90**

**Letter of Concern/Interest**

**Dear Sir,**

**My name is Jeanne S. Cox, one of the named parties in the Supplemental Certificate of Service for the above identified Request for Agency Action. I have requested the assistance of my husband, Duane Morley Cox in the preparation of this Letter of Concern/Interest.**

**My major concern is for the preservation of currently producing agricultural lands which may be unnecessarily taken out of production under this Request for Agency Action and other subsequent Requests presented to the Board for approval.**

**A direct example of such a situation has occurred on land previously owned by my parents in Section 03, Township 2 South, Range 3 West (Ref. Fig 1). My husband and I along with my son and his wife operate the Bluebell Angus Ranch on the SWSE, NWSE and NESE portions of this section, and my sister-in law, Jennifer Seeley, leases her land on the SESE portion of this section to another cattle operation.**

**Previously this section had two wells in operation, both of which were drilled many years ago (Goodrich 2-3B3 located on the east edge of the NESW portion and the Lotridge-Gates U 1-3B3 located in the L-1 portion of this section. The Goodrich well is still in limited production, but the Lotridge well has been plugged. And although these wells were drilled many years ago, and their reduced production might indicate that the oil reserves in this section have been depleted, the recently completed Conover 3-3B3 well located in the L-3 portion of the section is an extremely productive well that is currently free flowing, having actual 36,170 units of oil and 51,561 units of gas production in the first four (4) months reported (Ref. Fig. 2). This remarkable production adjacent to the Goodrich and Lotridge wells which are closed or greatly depleted would appear to be substantially consistent with the findings as cited by the Applicants (Request, Facts @ 10).**

**The company holding the leases in this 03 section have also surveyed another future well site on the property owned by Jennifer Seeley (SESE, See Fig 3). The site is substantially in the "heart" of the productive agricultural area of this parcel with the well site located approximately 660 feet from the East boundary of this section with the roadway extending Northward on the boundary of the SWSE and SESE portions of the section (Ref. Fig. 3). This "New Pad" is also located south of**

the irrigation line which is located between the NESE and SESE portions, thus separating the irrigation line from the area normally irrigated, and leaving a “cut-off” area in the NW part of the SESE portion which will now require a separate irrigation line (which local area will have to be shut off the majority of the month leaving the wheel line susceptible to damage because the cows will rub on it when shut off).

During negotiations with the oil company, the Seeley’s tried to get the well moved to a more convenient location which would not impair the value and utility of their acreage - to no avail because the company was bound by the 660 foot and 1320 foot rules which precluded locating the well head along the Eastern Boundary of the SESE portion where there is *little or no* agricultural value. Thus, the SESE portion will be “chopped up” with multiple agricultural zones, multiple irrigation lines, and the loss of valuable grazing land in the “heart” of this SESE portion (See Fig. 3).

Review of the Applicants filing indicates that “vertical/deviated” and “horizontal” are technologies currently contemplated (Request, Facts @ 7), and that the Applicants anticipate completing their first horizontal well prior to the hearing on their Request (Request, Facts @ 13).

Their Request also noted that under some Orders, exceptions to the distance limitations may be administratively granted without a hearing where a “topographical exception is deemed necessary” (Request, Facts @ 3 & 4)

And the Board has expressly made conclusions of law pertaining to the general principle that the drilling of additional wells at the “option of the operator” will “promote the public interest ... protect the correlative rights of all owners and avoid the drilling of unnecessary wells” (Request, Findings @ b) on pg 9).

While the focus of the Request is on drilling rights and rules and upon assuring that the rights of owners of mineral rights are protected, there seems to be little consideration of the rights of land users who may not now be the holders of the mineral rights because such mineral rights have been retained upon sale of the land to others. And with the advent of new drilling technologies, including “horizontal” drilling techniques it is argued that it is time to consider rules or exceptions to mitigate the damage to agricultural interests that can occur as illustrated here-in by compliance with the current rules.

THEREFORE, it is respectfully requested that the Board also grant “agricultural exceptions” in addition to the “topographical exceptions” now allowed so that agricultural interests may also be protected as another form of correlative rights which should be protected in the public interest.

And that where appropriate, the location of the well head should be allowed to exist at any location if, by advanced drilling techniques, the actual oil and gas extraction point can still meet acceptable distance limitations where current distance limitations were initially developed for vertical drilling only.

**Your consideration of these recommendations is greatly appreciated.**

**Sincerely Yours;**

**Prepared by Duane Morley Cox for,  
Jeanne Seeley Cox**

A handwritten signature in blue ink that reads "Jeanne Seeley Cox". The signature is written in a cursive style with a large, looping "J" and "C".

**C/C: Frederick M. MacDonald  
Attorney For Petitioner Newfield Production Company  
7440 South Creek Road, Suite 300  
Sandy, Ut. 84093**

# Utah Division of Water Rights

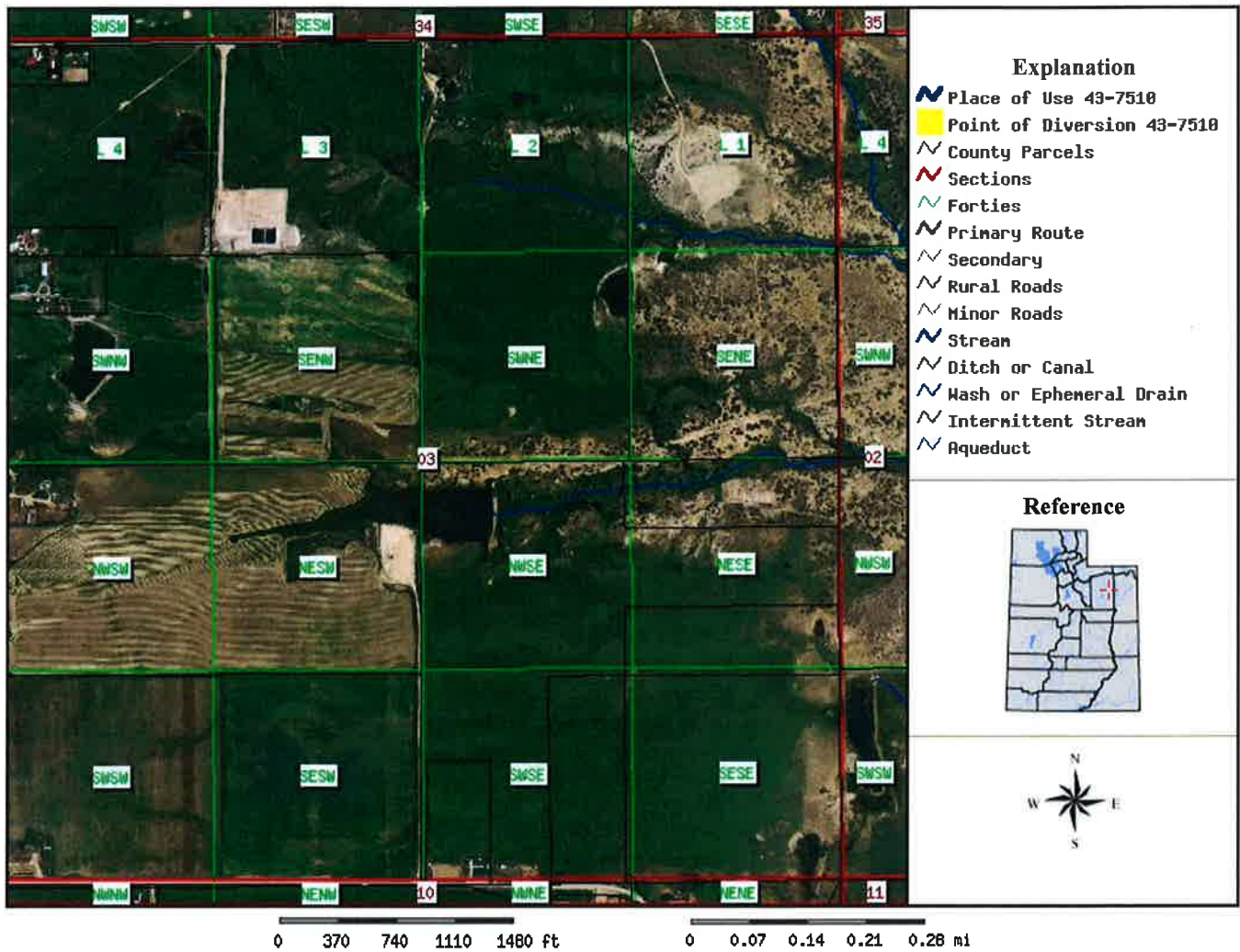


Figure #1

## OIL &amp; GAS PRODUCTION DATA

API	ZONE	ACCOUNT	ENTITY	MONTH	YEAR	DAYS	OIL PROD	GAS PROD	WATER PROD	RECD DATE
4301350526	GR-WS	N3065	18122	10	2011	31	3,901	5,427	445	12/06/2011
4301350526	GR-WS	N3065	18122	11	2011	25	7,270	10,130	1,377	01/11/2012
4301350526	GR-WS	N3065	18122	12	2011	31	15,538	22,484	1,459	02/10/2012
4301350526	GR-WS	N3065	18122	1	2012	31	9,461	13,520	1,926	03/12/2012

## PRODUCTION SUMMARY:

36,170

51,561

5,207

## DATABASE QUERY:

```
SELECT API, PROD_ZONE, ACCT_NUM, ENTITY, RPT_MONTH = DATEPART(MONTH, REPORT_PERIOD), RPT_YEAR =  
DATEPART(YEAR, REPORT_PERIOD), DAYS_PROD, OIL_PROD, GAS_PROD, WATER_PROD, WELL_TYPE, WELL_STATUS, P  
ROD_DATE_RECD, PROD_AMENDED_FLAG From PubProduction  
WHERE API = '4301350526' AND REPORT_PERIOD BETWEEN '01/01/1984' AND '4/01/2012'  
ORDER BY API ASC, REPORT_PERIOD ASC, ENTITY ASC, ACCT_NUM ASC
```

Figure # 2



# Utah Division of Water Rights

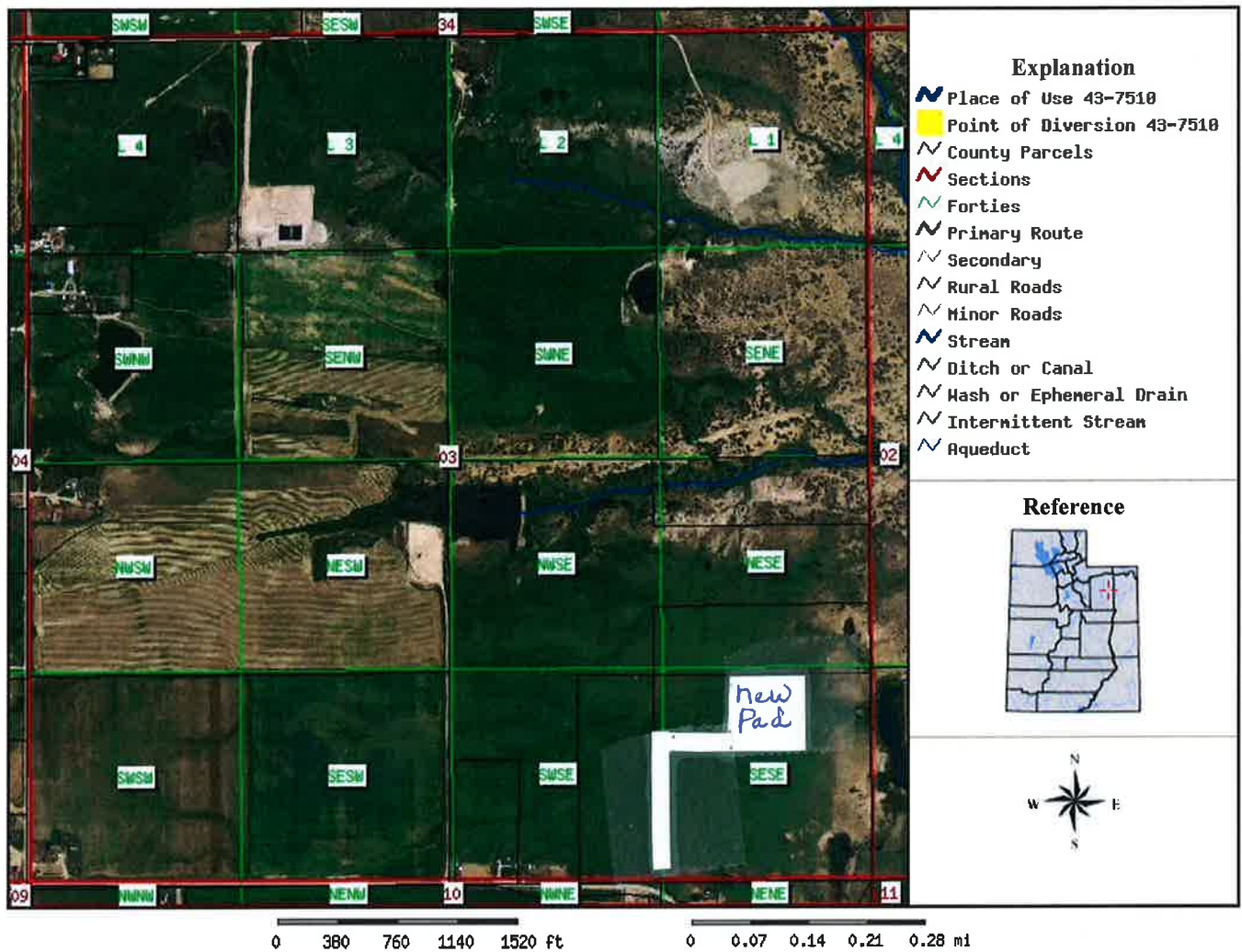


Figure # 3